

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1672 – HB 1888

March 9, 2009

SUMMARY OF BILL: Extends, from two years to four years, the licensing term for funeral directors, embalmers, and funeral establishments. Authorizes the executive director of the Board of Funeral Directors and Embalmers to grant renewal past the established four years should the license holder provide good cause.

ESTIMATED FISCAL IMPACT:

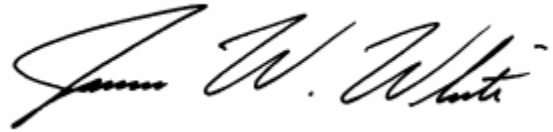
Other Fiscal Impact – The Board of Funeral Directors and Embalmers will incur a one-time expense of \$10,500 which includes \$5,000 rule-making hearing, \$2,500 computer programming, \$2,000 mailing notice to licensees, and \$1,000 licensing form modification. The extension of the term of licensure to four years would require the license fees to be doubled to remain self supporting over a four-year period. Increased license fees collected in year one would result in an increase in revenue of \$1,141,300.

Assumptions:

- According to the Board of Funeral Directors and Embalmers, there are currently approximately 3,000 licensed funeral directors and embalmers and 550 licensed funeral establishments that pay a biennial renewal fee. The total biennial renewal fee for funeral directors and embalmers is estimated to be \$825,000 (3,000 licenses x \$275 renewal fee). The total biennial renewal fee for funeral establishments is estimated to be \$316,250 (550 establishments x \$575 renewal fee).
- According to the Board, in order to comply with the requirements of Tenn. Code Ann. § 4-29-121 and remain self-supporting, the renewal fees would have to be doubled to cover the additional two years of licensing.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. As of June 30, 2008, the Board had a positive balance of \$177,133.45.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

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